If you drive anywhere – to work, to school, to the grocery store - you've noticed. Gas prices are becoming painfully high, consuming more and more of the household budget. The average gas price in the U.S. today is $3.73 per gallon. Three years ago, it was around $1.90 gallon.

Why the dramatic increase? Demand and global instability are part of the answer, but not the full answer. In America, demand for oil is actually down, but rapidly growing populations in Asia and South America consume increasing amounts of fuel for transportation and infrastructure. China added 10 million cars to its roads in 2010. Across the oil-producing regions of the Middle East and North Africa, geopolitical instability has also contributed to market volatility. Last week's Fort Report centered on the implications of Iran's nuclear ambitions on global security as well as rising fuel prices.

But supply-and-demand fundamentals haven't shifted significantly enough to fully explain the prices we see today. This week, I had the opportunity to examine another, often overlooked factor – speculation on Wall Street. A commissioner of the Commodity Futures Trade Commission (CFTC), which oversees the trading of commodities like oil, corn, and cotton, recently estimated that the "speculative premium" on oil today translates to an extra 56 cents per gallon at the pump. That's an extra $7 to $15 each time you fill up.

During an Agriculture Committee hearing Wednesday, I questioned the CFTC's chairman about this "speculative premium." I expressed my concern that markets initially designed to hedge risks (helping farmers and others more sufficiently control costs) may now - due to excessive and exploitive speculation - create risk and increase prices. I also shared my concern that our nation's massive debt and loose monetary policy have led to a decline in the dollar, which inflates the cost of oil - one of the world's most essential commodities.

I believe strong oversight and transparency are necessary to mitigate the negative effects of excessive speculation. Much deeper, longer-term solutions involve strengthening our nation's fiscal position – meaningfully reducing the debt and stopping the federal government's overspending.

Ongoing efforts to increase energy efficiency and promote conservation as well as diversify our nation's energy portfolio are also important as ever. Solidifying strategic energy partnerships that respect our natural resources is an important component, as are developing infrastructure and technology that make renewables more accessible. There is also great potential for development in our nation's wind and natural gas resources.

Exorbitant gas prices are a major drain on the American economy. They hit our families, small businesses, and farmers hardest, and we can least afford them as we seek to regain economic strength. Energy security is not a partisan issue, it's an American issue. We must, as a nation, embrace and explore all options to improve our energy security.

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